

STATE OF MAINE  
PUBLIC UTILITIES COMMISSION

DOCKET NO. 99-009

JUNE 29, 1999

BAR HARBOR WATER COMPANY  
Proposed Rate Change

ORDER

WELCH, Chairman; NUGENT and DIAMOND, Commissioners

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**SUMMARY OF ORDER**

We approve the Bar Harbor Water Company's revised rate sheets filed on June 1, 1999. These rates result in a \$59,872 or 8.73% increase over 1998 unaudited revenues of \$685,889. This increase will produce annual operating revenues of \$745,761.

**BACKGROUND**

On January 11, 1999, the Bar Harbor Water Company filed with the Commission its request to increase water rates on February 11, 1999. The request would increase rates by \$62,406 or 9.1% over 1998 unaudited revenues. The Company mailed the required notice to each of its customers. The primary causes of this increase are increased operating expenses and additions to operating property totaling approximately \$200,000.

On April 14, 1998, the Commission's Advisory Staff issued Bench Data Request No. 1. The Company responded on April 30, 1999. A second data request was issued on May 21, 1999. The Company responded to this second data request on June 1, 1999. After further review of the Company's filing and response to the data requests, the Bench identified areas of concern with the rate filing. The Company addressed the Bench's concerns by filing revisions to its exhibits (attached as Exhibit A) and proposed rate sheets on June 18, 1999. The revised annual operating revenue is \$745,761, resulting in a \$59,872 (8.73%) increase over 1998 unaudited revenues.

**DECISION**

We have reviewed the Company's original filing, its responses to data requests, and the revised filing. We find that the rates proposed by Bar Harbor Water Company in its revised filing reasonably provide the revenue necessary for the Company to cover its costs of operation and an opportunity to earn its allowed return of 9.3%.

Accordingly, we

## O R D E R

1. That the Bar Harbor Water Company Schedule of Rates, consisting of Sheet 1, Fourth Revision, filed on June 21, 1999; and Sheet 2, Fourth Revision; Sheet 3, Fourth Revision, and Sheet 4, Fifth Revision, all filed on June 18, 1999, are approved to become effective for service rendered on and after July 1, 1999;
2. That the Bar Harbor Water Company schedule of Rates, consisting of Sheets 1 through 3 – all Fourth Revision, and Sheet 4, Fifth Revision, filed on January 11, 1999, shall not become effective.

Dated at Augusta, Maine, this 29<sup>th</sup> Day of June 1999.

BY ORDER OF THE COMMISSION

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Raymond Robichaud  
Assistant Administrative Director

COMMISSIONERS VOTING FOR: Nugent  
Diamond

COMMISSIONERS ABSENT: Welch